



TO

THE BONNEVILLE POWER ADMINISTRATION



**REPORT OF THE INDEPENDENT EVALUATOR
REVIEW AND VALIDATION
2018 OVERSUPPLY MANAGEMENT PROTOCOL FILINGS**

August 17, 2018

Submitted by:

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REPORT OF ACCION GROUP, LLC
INDEPENDENT EVALUATOR FOR BONNEVILLE POWER ADMINISTRATION
REVIEW AND VERIFICATION OF 2018 FILINGS

I. EXECUTIVE SUMMARY

Accion Group, LLC (“Accion”) was selected by Bonneville Power Administration (“Bonneville”) to serve as Independent Evaluator (“IE”) for the Oversupply Management Protocol Program (“Program” or “OMP Program”). Accion created and administers the Website (“Website” or “Program Website”) through which the Program is managed.

The Program provides for compensation for Generators that opt to participate in the Program, and when their generation is displaced by Federal generation. Bonneville designed the Program to ensure displacement is done on a least-cost basis, to ensure that lower-cost Generators are displaced prior to higher-cost Generators. All Generators must submit data in support of their costs. The Program is conducted through the Program Website designed to the specifications identified by Bonneville. The Website provides a disclosure form to be completed and submitted by Generators for each generating facility located in Bonneville’s balancing authority area. Following the Submittal of the disclosure form, the IE verifies that the Generators’ claimed costs are supported. The process used by the IE for verification (“Verification Process” or “Process”) was devised by Bonneville, in coordination with the IE, to provide Bonneville with confidence that claimed costs are fully supported by documentation, thus avoiding additional review tasks each time losses are claimed. The Verification Process provides for the IE to randomly select and review the submissions of Generators to, in effect, “spot check” the data that was provided.

Thirty-four (34) Submissions were received this year from nineteen (19) Generators. Ten (10) submissions were randomly selected for verification by the IE, and the IE subsequently reviewed and verified the costs claimed for each of the Submittals. The Verification Process continues to be efficient because most Generators are familiar with the process due to previous participation in the Program. ¹

The IE conducted its initial review for the ten (10) randomly selected Generators following the Submittal period deadline. Of the ten (10) Generators selected for verification, all submitted complete documentation and pricing information as part of the original submission that permitted verification of claimed costs.

¹ In July 2018 a Generator that has previously participated in the OMP Program notified BPA and the IE it no longer was subject to participation in the Program, and subsequently withdrew.

Generators are asked to provide supporting documentation at the time of submitting cost data. The type of documentation Generators provide in support of their Submittal is left to the discretion of the individual Generator. Most Generators provided documentation typical to the industry, while often being unique to the individual Generator. For instance, in some instances the Generator provided documentation that confirmed some claimed costs or established an obligation to deliver energy for only part of the year. In all instances where a bundled contract was submitted, the contract had an execution date prior to March 6, 2012.

For the Generators selected for Verification, the IE found enough supporting information from each Generator to confirm the basis for claimed costs.

II. 2018 OVERSUPPLY MANAGEMENT PROTOCOL WEBSITE

A new “silo” was created on the Program Website for the 2018 Oversupply Management Protocol. The silo was provided using the previous 2017 Website design, to provide a degree of consistency for all participants - Generators, Bonneville personnel, and Website Administrators. The Website was edited and updated to reflect edits requested by BPA Administrators. The process remained user-friendly and familiar for returning participants. Information provided on the Website to assist Generators with their Submittals was reviewed and updated as needed.

All silos for previous Program years remain available on the Website so Generators can access their previous Submittals for historical reference. All data from previous years is maintained and accessible on the Website and available to the individual Generator and the IE. This made it possible to compare past Generator participation in the Program (2012, 2013, 2014, 2015, 2016 and 2017) to the current year’s registered participants. This feature assisted Generators when reviewing past compliance filings and provided the IE with a data base for contacting those Generators who had registered in prior years, but not yet registered in 2018. As part of the annual review the IE compared prior filings with the 2017 submissions to identify any changes in generating facility ownership, etc.

The IE communicated with Bonneville regarding any questions as to Generator changes. Bonneville again experienced a change in personnel designated to manage the Program. As has been consistent in past program years, Bonneville personnel was responsive to all inquiries from the IE, and in all instances, provided requested information promptly and completely.

2018 PROGRAM LAUNCH

The 2018 Website was launched on March 5, 2018. Initially, the IE identified and compared the list of Generators provided by Bonneville with the Generators registered on the 2017 Program Website to determine which Generators should be contacted and invited to register to participate in the 2018 Program.

The following Announcement, provided by Bonneville, was posted on the Announcement Page of the Website, and sent to all Generators registered on the 2017 Website, notifying them to register for the 2018 Program:

Posted (PPT) Announcement

3/5/2018 7:45:09 AM

Bonneville Power Administration

Requested Action: Submit displacement costs by Mar. 15, 2018

Subject Description:

As spring approaches, so do the natural elements that provide the Northwest with abundant energy resources. Each year, Generators with eligible displacement costs must submit those costs in March, in order to receive compensation per our Oversupply Management Protocol (OMP) adopted as Attachment P of our Tariff in 2012. This is a Tariff requirement, and not an indication that an OMP event is imminent.

BPA's OMP is a tool that BPA can use at any point in the year to address oversupply issues, but historically those events are most likely to occur during the spring runoff. BPA will, to the best of its ability, give notice if there is a risk of implementing the OMP via Tech Forum notice. Operations information related to hydro, thermal and wind conditions and transmission loading can always be found on the BPA Oversupply Website at www.bpa.gov/goto/oversupply.

Questions about BPA Oversupply Management Protocol may be directed to techforum@bpa.gov with Oversupply in the subject heading. As of Monday, March 5, 2018, Generators can start registering on the Accion site for 2018 cost Submittals at <https://oversupply.accionpower.com>. Per Attachment P, Oversupply Management Protocol, Generators must submit their facility's displacement costs by March 15, 2018 for inclusion in the Least-Cost Displacement Cost Curve. Updates have been made to the site for submitting displacement costs.

Failure to submit displacement costs for a facility will result in a displacement cost of \$0/MWh for that facility. Additional details on the protocol and guidelines for displacement costs are available in Attachment P and in the Oversupply Management Protocol Business Practice.

As stated in BPA's Business Practice for Establishing Minimum Generation Levels and Maximum Ramp Rates for Oversupply Management, Generator operators and owners also should update their minimum generation levels in the Customer Data Entry system.

Any questions regarding the Accion Website should be directed to Sheri Vincent-Crisp at (603) 229-1644, svincentcrisp@acciongroup.com, or Harry Judd at (603) 229-1644, hjudd@acciongroup.com.

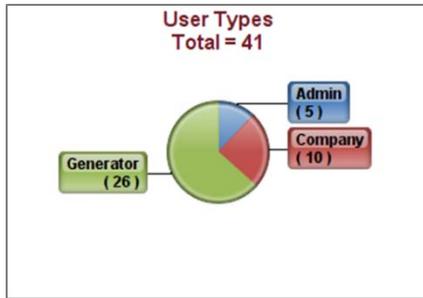
For the most up-to-date calendar of events, please visit the BPA Event Calendar.

REGISTRANTS AND SUBMITTALS ON THE 2018 WEBSITE

The IE identified any Generators that participated in the 2017 Program but were not registered on the 2018 Website. For those that had not registered, the IE contacted them using registration data from the 2017 Website. Initially an email was sent, and if unresponsive, each Generator was contacted by telephone.

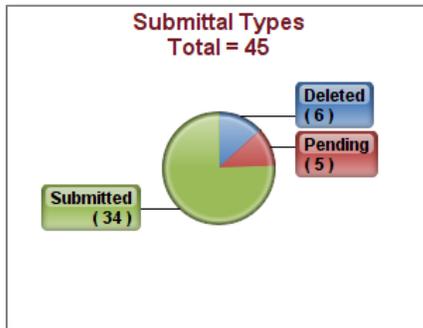
Forty-one (41) individuals registered on the 2018 Website as Generators, Bonneville personnel or Website Administrators.

The following charts show the status of both registrations and Submittals as of the date of this Report and are shown in real-time on the Program Website.



TOTAL REGISTRANTS: 41

Generators Registered: 26²
 BPA Personnel Registrants: 10
 Site Administrator Registrants: 6



TOTAL SUBMITTALS: 34

Six (6) Submittals were started and subsequently deleted by Generators and new Submittals were completed. Three (3) Submittals remained pending, as they were used by the IE for testing purposes.³

MESSAGES AND COMMUNICATIONS

Generators and the IE used the Message Board on the Website to correspond with each other. If Generators had questions or concerns regarding Submittals or the process, they were able to use the Message Board, and the IE responded also using the Message Board. In this manner a permanent record of all conversations is maintained on the Website for future reference. As of the date of this Report, ten (10) Generators used the Message Board to send their questions or submit additional information regarding their Submittals, and seventeen (17) messages were sent by the IE to Generators.

The IE and Bonneville also received emails directly from two (2) Generators indicating they were not participating in the 2018 Program. Two (2) Generators contacted the IE via the OMP Program Website Message Page seeking confirmation of their status regarding participation in the 2018 Program.

Information from Generators was collected on the Program Website. Each Generator was provided a confidential, individual Submittal Book with a separate file system for each generating facility identified by the Generator. If Generators responded to telephone inquiries with return calls or direct email responses, the IE transferred the information to the

² Includes one Administrative Test Registration.

³In some instances, Generators started a submission form, but left it incomplete, leaving those forms "pending." All Generators submitted at least one completed form, so the IE did not probe to determine why any pending form was not completed.

corresponding Message Page, to maintain a record for future regulatory review.

III. SUBMITTAL PROCESS

Via the Website, on their Submittal Form, each Generator was required to provide monthly cost data for Light Load Hours (“LLH”) and Heavy Load Hours (“HLH”). Alternatively, the Generator could decline to claim LLH or HLH by a simple “click” on the Submittal Form, resulting in “0” costs claimed. Generators were also provided the option of claiming Renewable Energy Certificates (“RECs”), or, alternatively, declining to do so.

As previously noted in this report, all the data from previous years’ Programs is maintained and accessible (archived) on the Website and available to the individual Generator and the IE. As part of the annual review the IE compared prior filings with the 2018 submissions to identify any changes in Generating Facility ownership, etc., and communicated with Bonneville regarding any questions as to Generator changes.

One (1) Generator notified Bonneville and the IE it was not submitting costs for its two (2) facilities and therefore chose not to complete Submittals, and two (2) Generators submitted Forms claiming zero (0) Costs. The IE received a telephone request for clarification as to eligibility of a new facilities to participate in the 2018 Program. The IE contacted the OMP Subject Matter Experts for direction prior to responding to the Generator. The Generator was instructed they could submit costs thirty (30) days prior to the Commercial Operations Date (“COD”) of the facility.⁴

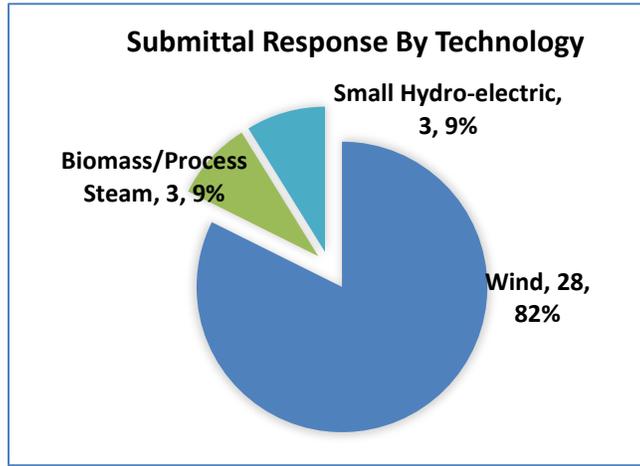
When completing the online Form, Generators were provided the opportunity to revise their statement of costs before submission. Also, Generators are permitted to revise cost data on a prospective basis, with the revised cost data being employed two (2) months after the month in which the revision was submitted. As of the date of this report, no Generators submitted revised Submittals. If a Generator submits a revised Submittal(s), once the revised Submittal(s) is eligible, the respective original Submittal(s) would be withdrawn by the IE and replaced by the newly revised Submittal(s) to be included in the Displacement Cost reports or the Pricing Reports generated each month and released on the Website to Bonneville personnel authorized to receive the information.

In prior years it was necessary for the IE to extend the submission period for Generators. This program year, when the initial Submittal deadline passed, the IE reviewed the status of registrations and Submittals, and noted that all Generators registered to participate in the Program had provided sufficient information, so the IE could begin review of eligibility, with no need for an extension.

⁴ Section 3 of Attachment P.

SUBMITTAL RESPONSES

Nineteen (19) Generators submitted thirty-six (34) Submittal Forms as shown in the *Submittal Response by Technology* chart.



Generators were required to upload documentation supporting the Displacement Cost data included in their Submittal Forms. All Generators provided at least one document unless they did not claim costs on their Submittal. Details regarding the quality and number of Required and Supporting Documents provided by Generators for each Submittal is shown in **Tables 3 and 4** of this Report.

IV. VERIFICATION PROCESS

The Verification Process was undertaken in a manner to minimize the burden on Generators. Accion used the same model used in prior years to randomly select the Submittals that would be subject to additional scrutiny. The randomization model was run repeatedly to confirm that random re-sorting occurred, and to effectively “scramble” the Submittals. The Submittals were entered into the process using the submission identification number, and not the name of the Generator or the project name, to avoid even the appearance of predetermination.

The following **Table 1** provides the randomized ranking of the Submissions for 2018.

Table 1
Randomized Ranking of Submissions

188-01	0.302703917169422	203-02	0.238597566040124
183-01	0.359924135630569	184-02	0.29264658464636
183-02	0.385877000386746	183-03	0.224196660279577
178-03	0.496475632411378	181-01	0.902847926894722
194-01	0.582737274815025	184-05	0.266975565801091
198-01	0.62486211557496	186-01	0.947723851888137
198-02	0.695912451222149	184-03	0.976676385522664
184-06	0.699351356130732	184-08	0.704028158243345
182-01	0.709028563098745	184-11	0.198900080117579
196-02	0.718209094418177	184-10	0.219136888137052
203-01	0.740873512638223	205-01	0.835112497862188
202-01	0.752621226657217	184-09	0.2359072560416
189-02	0.773205201858757	191-01	0.945713742733695
195-01	0.781727749096314	184-07	0.242884790646708
197-01	0.800408474434215	184-04	0.28136722058215
179-02	0.805017927627715	187-01	0.858355663604929
191-02	0.815878587285084	184-01	0.945766959759029

Table 2 identifies the ten (10) submissions selected for verification by the IE. These ten (10) were taken from the randomization presented in **Table 1** and reordered to be in numeric order with the name of the Facility added (redacted in Table).

FINAL SUBMISSION SELECTION FOR VERIFICATION	
Generator/ Identification Number	Facility
178-03	Redacted
182-01	Redacted
183-01	Redacted
183-02	Redacted
184-06	Redacted
188-01	Redacted
194-01	Redacted
196-02	Redacted
198-01	Redacted
198-02	Redacted

Table 3 is a summary of the review of each of the ten (10) Submissions selected for verification. This is followed by a description of any instances when the IE reached out to clarify or collect additional information from Generators, and the status of each verification for the selected Submissions.

Table 3
Summary of Verification Review by Independent Evaluator as of 2018

Submittal Number	HLH [1] ⁵	LLH [1] ⁶	Initial Response Sufficient for IE to Verify	Verification Document: PPA	Verification Document: Other	Notes
188-01	77.50	77.50	x	x		PPA with pricing information
183-01	99.69	99.69	x	x	x	Multiple Uploads: PPA, Electric Service Agreement; Schedule
183-02	101.39	101.39	x	x	x	Multiple Uploads: PPA, Electric Service Agreement; Schedule
178-03	70.24 (May-Jun18) 70.25 (Jul-Dec 18) 71.73 (Jan-Mar 19)	70.24 (May-Jun 18) 70.25 (Jul-Dec 18) 71.73 (Jan-Mar 19)	x	x	x	PPA provided with Contract Purchase Price; Multiple additional Uploads
194-01	79.08 (Apr-Sept 18) 81.05 (Oct 18-Mar 19)	79.08 (Apr-Sept 18) 81.05 (Oct 18-Mar 19)	x	x	x	PPA provided with additional pricing Calculation explanations
198-01	32.92 (2018) 33.62 (2019)	32.92 (2018) 33.62 (2019)	x	x		PPA is provided
198-02	66.48 (2018) 66.25 (2019)	66.48 (2018) 66.25 (2019)	x	x		PPA is provided; additional information re Power Purchase Rate and Calculations
184-06	49.50	49.50	x	x	x	PPA is provided; also provided is an Invoice showing Purchase Price
182-01	93.39	93.39	x	x	x	Multiple Documentation supporting pricing, Calculations
196-02	126.32	126.32	x	x		PPA is provided

After completing the review of the Submissions selected for verification, the IE was able to verify the Claimed Costs for all ten (10) Submissions with no additional information needed.

The following provides a review of the Submittals Randomly selected for Verification.

⁵ Data was provided by the Generator and verified by the IE.

⁶ Data was provided by the Generator and verified by the IE.

SUBMITTAL 188-01

Required Supporting documentation provided by this Generator was a Renewable Resource PPA executed on August 26, 2008 for a 20-year term. The PPA included pricing information. The IE found this enough documentation to support the Claimed Costs provided on the Submittal Form.

SUBMITTAL 183-01

The Required Document provided with this Submittal was a 20-year Renewable PPA dated April 14, 2008. Additional Supporting Documents included the Electric Service Agreement relating to the Facility dated April 15, 2011, and the First Amendment to same, effective December 1, 2015. Also included was a Price Summary in effect as of January 1, 2018. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

SUBMITTAL 183-02

This Generator provided a 20-year Renewable PPA dated August 14, 2008, as a Required Document. Generators were invited to self-select documents to support claims of loss in the event of curtailment. This Generator provided two documents: The Electric Service Agreement relating to the Facility and Delivery Service Schedule dated April 15, 2011, with an amended effective date of December 1, 2015, and, PUC OR No. 36 – Schedule 47 regarding Large General Service/Delivery Service. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

SUBMITTAL 178-03

The Required Document provided was an Excel Sheet with Contract Energy Price and Contract REC Price. The Index page to PPA included Contract Purchase Price redacted except for 2018 and 2019. Additional documentation was provided as follows: A Renewable Energy Credit Purchase Agreement from April 2018 to April 1, 2019; ICAP National Greene-e Bid/Offer chart; and a Karbone Bid/Ask Pricing Chart dated February 28, 2018. The IE found there was enough documentation to support the Claimed Costs as provided on the Submittal Form.

SUBMITTAL 194-01

This Generator uploaded a PPA as the Required Document, dated and executed November 7, 2001 with an effective contract term for twenty-year (20) years. The Contract Number was noted on the PPA. Also provided was a wind payment rate interpretation of the PPA. The IE found sufficient documentation was present to support the Claimed Costs.

SUBMITTAL 198-01

The Generator provided a PPA dated November 30, 2000 for a term of twenty-five (25) starting in 2003, with Attachments and Exhibits. The IE determined there was sufficient supporting documentation.

SUBMITTAL 198-02

The Required Document provided is an Amended and restated PPA dated November 27, 1996, with a term of thirty (30) years. Additional Supporting Documentation was a letter dated January 27, 2018 explaining annual basis adjustment for power purchase rate and 2018 calculations. The IE determine there was sufficient supporting documentation from this Generator should displacement occur.

SUBMITTAL 184-06

This Generator indicates on the Submittal Form that production from the Generating Facility is sold under a long term PPA. A redacted invoice is provided to show prices for January 2018, supporting Displacement Cost Claims. The redacted PPA with pricing is also provided, with an effective date of February 1, 2006, with a term of 20 years. The IE found sufficient documentation to support this Generator's Claimed Costs.

SUBMITTAL 182-01

Various documentation is provided by this Generator; Wind Project Displacement Cost Summary Chart January 2018 through December 2018, with annual total, and a PPA dated July 14, 2009. Also provided was a confidential letter to the IE dated March 20, 2018, with detailed calculations and Project Cost of Displacement July 2018 through March 2019. The IE found sufficient documentation to support the Claimed Costs.

SUBMITTAL 196-02

The required Document provided by the Generator was a Power Purchase Agreement dated as of July 28, 2008 for a term of 15 years. The IE found sufficient documentation to support this Generator's Claimed Costs.

V. CURSORY REVIEW OF SUBMITTALS NOT SELECTED FOR RANDOM VERIFICATION

The IE additionally performs a cursory review of all Submittals by the Generators who were not included in the Verification Process, other than those submitted by Generators who opted out of the process. The goal of this review is to summarize the quality of information provided by the responding Generators.

As part of the initial Submission process, Generators were required to provide documentation when costs were claimed. A majority of Generators provided extensive

supporting documents. The following **Table 4** summarizes the number of required and supporting documents submitted by all Generators per Submittal.

Table 4

Required and Supporting Documents Uploaded Per Submittal

Submittal Number	Zero Costs	Selected for Verification	Required Documents Provided	Support Documents Provided
178-03		x	1	5
179-02			1	2
181-01			1	3
182-01		x	1	3
183-01		x	1	4
183-02		x	1	3
183-03			1	5
184-01			1	1
184-02			1	1
184-03			1	1
184-04			1	1
184-05			1	2
184-06		x	1	1
184-07			1	1
184-08			1	
184-09			1	
184-10			1	5
184-11			1	5
186-01			1	
187-01			1	
188-01		x	1	
189-02			1	3
191-01			1	1
191-02			1	3
194-01		x	1	2
195-01			1	3
196-02		x	1	
197-01			1	4
198-01		x	1	
198-02		x	1	1
202-01			1	1
203-01	x			
203-02	x			
205-01			1	

In all cases this information was sufficient to complete verification, because the Supporting Documents identified the claimed displacement values. The validation of claimed costs permits Bonneville to have confidence that the costs claimed by Generators are accurate.

Below, the IE summarizes a review of the submissions for the Generators not selected for validation. This cursory review was conducted with the IE determining if there was need to seek information from the individual Generators, beyond what was provided by each Generator at the time the Submittal Form was completed. The Program is premised on Generators providing correct data, supported by documentation requested by the IE as part of the Verification Process. This cursory review, along with the information provided in **Tables 3 and 4**, is provided so Bonneville has an appreciation for the quality and quantity of documentation provided by Generators.

SUBMITTAL 179-02

This Generator provided a completed IE Verification Form Template updated for the current Program Period to show total Displacement Cost. This Form was completed using the Verification Form from past program years as a template. In the 2018 Program year Submittal, the 2018 IE Verification of Displacement Cost Form refers to PPA prices for RECs and Energy. The PPA was provided.

SUBMITTAL 181-01

The Required Document uploaded by this Generator to support cost claims, is an “Execution Copy” PPA dated June 24, 2009 with a term of twenty (20) years. Additional Supporting Documents are: a *Karbone Pricing* sheet dated July 31, 2012; *Appendix B: Wholesale Electricity Price Forecast from Sixth Northwest Conservation and Electric Power Plan*; and *Facility-specific Cost of Displacement Methodology*.

SUBMITTAL 183-03

The same information is provided for this Submittal as was noted in Submittal 183-01, above, with the addition of a Membership Certificate certifying membership in Columbia Basin Electric Cooperative, Inc., and a chart of the same Cooperative’s Electric Rates, effective October 2015.

SUBMITTAL 184-01

This Generator provided copies of a February 8, 2018 invoice for power delivery for the month of January 2018. Additional Supporting Documentation included a Redacted PPA showing an effective date of June 1, 2002 with the term to May 5, 2022 with an 18-year term. The output for this facility is sold under two (2) long term PPAs. Explanation was provided in the Submittal Form as to how Displacement Costs are established. The purchase price and maximum Delivery Rate Chart were provided, showing 2018 but a

signature page is not included. The entire PPA was redacted, other than the above information. The Calendar Year and corresponding purchase price were supported by the invoices provided.

SUBMITTAL 184-02

The Required Document uploaded by this Generator was a Power Delivery Invoice dated February 6, 2018, for January 2018 showing Energy Delivered under Contract. Also provided is a Wholesale Purchase and Sale Agreement, with redactions, for Wind Energy effective as of December 8, 2004 (30-year Term). The signature is visible, and an Exhibit with a chart showing contract price for scheduled energy and environmental attributes for the 30-year term. Output sold under a long term PPA, supporting documents show contract prices in effect for the 2018- 19 year.

SUBMITTAL 184-03

This Generator provided a redacted copy of a February 2018 invoice for Contract Power Delivery for the month of January 2018. A redacted PPA dated September 14, 2009, for a term of 20 years was also provided. The entire document was redacted, including the contracting party, with the exception of the effective PPA date and term of years.

Notes on the Submission Form refer to the uploaded Invoice and redacted PPA as support for the Displacement Cost. Contract pricing was provided for estimated purposes, available as data becomes available at the beginning of the current Contract Year and is shown on the provided January 2018 invoice.

SUBMITTAL 184-04

This Generator provided a February 10, 2018 Power Delivery invoice for January 2018, showing Scheduled Energy Delivered per MWh with remaining text redacted. In addition, two (2) signed, but heavily redacted PPA's, each dated February 2, 2009, are provided for Supporting Documentation, with an explanation of how the contract price was determined.

SUBMITTAL 184-05

This Generator provided a redacted February 2018 Invoice for January 2018. Information provided is in the same form as that provided for the above Submittal 184-04; the PPA term and effective date are provided (Dated October 15, 2007, with a term of 18 years), however all other information is redacted. The Submittal Form provides support for the Displacement Cost claimed effective March 2018, in the form of a Redacted invoice, PPA, and notification of initial energy delivery.

SUBMITTAL 184-07

This Generator indicates on the Submittal Form that production from the Generating

Facility is sold under a long term PPA. Generator provided a redacted invoice dated February 9, 2018 to show prices in effect for January 2018 supporting Displacement Cost Claims for that month. A redacted PPA was also provided. The PPA has a December 2, 2009 effective date with a term of 25 years.

SUBMITTAL 184-08

This Generator's Required Document was a Transaction Confirmation Agreement dated September 3, 2014 to verify displacement costs. It confirms the Master Agreement dated February 10, 2011 between the parties. Contract price calculations are provided through 2024, and consist of Energy Price, CAISO Import Credit and Green Attribute Price calculations. Charts provided in the Agreement include Product REC Price per period, Eligible Energy Resources Summaries, and Contract Quantity for the current period.

SUBMITTAL 184-09

This Generator's Required Document was a Transaction Confirmation Agreement dated September 3, 2014 to verify displacement costs. It confirmed the Master Agreement dated February 10, 2011 between the parties. Contract price calculations were provided through 2024, and consist of Energy Price, CAISO Import Credit and Green Attribute Price calculations. Charts provided in the Agreement include Product REC Price per period, Eligible Energy Resources Summaries, and Contract Quantity for the current period.

SUBMITTAL 184-10

The Required Document uploaded by this Generator were Power Delivery invoices dated February 10, 2018, for January 2018, showing Scheduled Energy Delivered per MWh. The remaining text is redacted. There were multiple supporting documents provided, including a redacted PPA dated October 5, 2007 PPA for a 20-year term, a Wholesale PPA dated October 5, 2006, for a 20-year term, a heavily redacted PPA dated July 11, 2007 with a term for 20 years, and a PPA Cover Sheet dated August 11, 2008, which is also heavily redacted. Also provided was a PPA Weighted Average for 5 PPAs as explained in the Submittal Form.

SUBMITTAL 184-11

This Generator provided was a redacted PPA dated July 28, 2008 with cover page and an Appendix with a schedule of payments. The PPA COD and term were provided.

SUBMITTAL 186-01

Required documentation is A Power Purchase Agreement dated March 24, 2009 with a term of 20 years. Within the PPA formulas for cost calculations and curtailments are included.

SUBMITTAL 187-01

Required documentation was provided in the form of a Master Power Purchase and Sale Agreement executed on May 28, 2008 with a delivery term of 15 years.

SUBMITTAL 189-02

This Generator provided three (3) Supporting Documents. The uploaded Required Documentation included with this Submission is a City of Seattle Ordinance passed on July 11, 2011, and signed by the Mayor on July 18, 2011. The Ordinance is for the purchase of attributes in the form of renewable energy certificates that are necessary or convenient for meeting the requirements of the Washington State Energy Independence Act.

Also included was an executed Standard Contract Off System PPA for a term of 20 years, for Intermittent Resources effective April 29th, 2010, with highlighted text, “[a]ll energy shall be prescheduled according to customary WECC scheduling practices”.

The third document provided was a Master Renewable Energy Certificate Purchase and Sale Agreement issued September 21, 2010. This Generator previously indicated that because the Verification Form does not allow for monthly HLH and LLH Prices, that if needed, an Excel file with the monthly PPA HLH and LLH prices with REC prices would be provided.

SUBMITTAL 191-01

The Required Document supporting this Submission was an email for offers from Karbone for 2018 WA RFPS RECs and 2019, which did not provide firm documentation of actual costs claimed. The IE reviewed the 2017 Submittal Documentation, in order to compare with the 2018 Submittal and supporting information. However, additional documentation in the form of a Master Service and Maintenance Agreement dated August 2, 2010 was also provided for verification.

SUBMITTAL 191-02

The same information was provided as for Submittal 191-01, above, along with additional documentation supporting data provided on the Submittal Form.

SUBMITTAL 195-01

The Required Document provided to support this Submittal was a *Tullett Prebon Pricing Chart* showing Peak and Off-Peak pricing dated March 20, 2018, and Generator’s BGC Environmental Brokerage Services Daily REC Bulletin, also date March 20, 2018. Other supporting documentation was a Karbone Pricing Chart with the same date. Also included was a pricing chart supporting periods Quarter One, 2016 through Quarter one, 2017.

SUBMITTAL 197-01

A chart supporting pricing for the years 2018-2019 was provided for required documentation. Additional supporting documentation was represented by another chart, as a memo re: energy value components and a renewable PPA dated February 25, 2010, for a term of 15 years

SUBMITTAL 202-01

This Generator provided a REC Transaction Confirmation Letter detailing values provided in the Submittal Form, along with a Master REC Purchase and Sale Agreement. Terms of the transaction are authorized by a Master Green Tag Purchase and Sale Agreement between Buyer and Seller dated as of July 13, 2007.

SUBMITTAL 203-01

Generator claimed zero (0) costs.

SUBMITTAL 203-02

Generator claimed zero (0) costs.

SUBMITTAL 205-01

This Generator's Supporting Documentation included a letter explaining the Generator and Costs of Displacement. The Generator provided a Submittal claiming Displacement Costs and claiming LLH and HLH Penalty Costs along with supporting documentation.

VI. COMPARISON OF 2017 AND 2018 RESULTS

In 2017, eighteen (18) Generators filed thirty-six (36) Submittals of which thirty-four (34) provided the Required Document(s). Of the thirty-five (35) Submittals that included Required Documents, fifteen (15) also included additional Supporting Documents and one (1) Submittal claimed costs on their Submittal Form, but also indicated they were not claiming Displacement costs should curtailment occur. Ten (10) Submittals were selected for random verification, thus there were twenty-six (26) Submittals that were not part of the random Verification Process.

As in 2017, in 2018 the IE also conducted a summary review of the filings provided for the submissions that were not selected for verification. In 2018, eighteen (19) Generators filed thirty-six (34) Submittals, of which all Submittals included at least one Required Document. Of the thirty-four (34) Submittals that included Required Documents, twenty-three (23) also included additional Supporting Documents. Two (2) Generators' Submittals claimed zero costs.

VII. CONCLUSIONS

The IE randomly selected ten (10) submissions for the annual Verification Process. As part of the Submission process, each Generator was required to provide supporting documentation of their choosing. After reviewing the documents proffered with the Submissions, the IE found no need to request additional documentation because the initial submissions were sufficient for the IE to complete the Verification process and determined that all ten (10) Submissions randomly selected for verification had sufficient documentation to enable the IE to affirm the Submissions. As noted previously, the IE reviewed the 2017 Submittals, and compared them to the current 2018 Submittals, to confirm consistency in documentation. The information and claims are consistent in both program years, with additional supporting documents provided by some Generators this year.

A. REQUIRED DOCUMENTATION

As was the case in 2017, this Program year the IE maintained a simple process for Generators by reviewing the completed Submittal Forms and their respective Required and/or Supporting Documentation prior to determining a need to reach out to the Generators selected for Random Verification. In this manner, the Generators that provided sufficient support for the data collected in their Submittal Forms, were not required to complete additional forms, or submit further Documentation for Verification. The IE would then reach out to the Generators singularly, if additional support was needed for their claimed Costs.

With each consecutive year, the IE notes an increasingly consistent number of Generators that provide specific documentation making the verification process more efficient and accurate. The fact remains that some Generators only make market sales and, therefore, it remains challenging to provide an easy way for that to be reported. At the same time, most Generators have participated in the Program for several years and are therefore more familiar with the documentation required and less resistant to accepting the need for verification of claimed costs.

The IE continues to suggest providing a list of preferred or acceptable Supporting Documents to assist Generators in establishing the value of loss in the event of Curtailment, such as a firm PPA, or other agreement that would definitively verify their Cost Claims.

B. GENERATORS/CONTACTS

In the IE's Report to Bonneville on its Review and Validation of 2016 and 2017 Filings, the IE identified that improved coordination with Bonneville regarding changes in Generators and contacts was an issue that would increase the efficiency of managing the Oversupply Program Submittals, and any subsequent requests for data verification. In the last Program Year, the IE worked more closely with BPA in order to update the Generator contact information before this reporting cycle. This communication continued in the 2018 Program Year. The IE was

consistently provided updated information upon request, and questions regarding eligibility for participation in the OMP were provided promptly. Having the latest contact information when the new Program Year was launched, and when starting the review process, improves the initial response rate, thus avoiding the need to have numerous conversations with Generators.